



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 28

**Agenda Date:** January 26, 2023

**In Control:** City Council A Session

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**DEPARTMENT:** Government Affairs

**DEPARTMENT HEAD:** Sally Basurto

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Amendment to the City's State Legislative Program.

**SUMMARY:**

An ordinance amending the City of San Antonio's State Legislative Program for the 88th Texas Legislative Session to include support for the San Antonio Fire and Police Pension Fund's 2023 Legislative proposal.

**BACKGROUND INFORMATION:**

The Texas Legislature meets every two years in odd numbered years. The 88th Legislative Session began on January 10, 2023.

Prior to the convening of each regular Texas Legislative Session, the City of San Antonio identifies policy priorities and legislative initiatives that it would like to have addressed by the Legislature. These priorities and initiatives are incorporated into a City of San Antonio State Legislative Program. City Council approved the 2023 State Legislative Program on November 3, 2022, through Ordinance Number 2022-11-03-0848.

The Fire and Police Pension Fund Board of Trustees (Pension Fund) approved their legislative

agenda on September 28, 2022 in preparation for the 88th State Legislative Program. The Legislative Proposal includes administrative changes, the addition of a provision for deaths caused or abetted by survivor, clarification of the line of duty definition and an increase in the Death Benefit Annuity for non-line of duty deaths.

The City's Finance Department worked with the Pension Fund to evaluate different options for increasing the current minimum Death Benefit Annuity of 50% for non-line of duty deaths. After review of several options, the Finance Department recommended a revision to the Pension Fund's Board Approved Legislative package to increase the minimum Death Benefit of 50% to a minimum of 75% for all non-line of duty deaths. The Pension Fund's Legislative Committee met on January 9 to discuss the revised proposal for the non-line of duty Death Benefit Annuity increase to a minimum of 75% as an amendment to their current legislative package. The full Pension Fund board will consider the amended legislative agenda on January 31, 2023.

With this proposed modification to the Pension Fund's Death Benefit Annuity for non-line of duty deaths, City Staff is recommending amending the City's State Legislative Program to include support for San Antonio Fire and Police Pension Fund's 2023 Legislative Proposal as amended and contingent upon subsequent approval by the Pension Funds Legislative Committee and Board. The IGR Committee was briefed on the proposed amendment to the City's Program on January 11, 2023. The IGR Committee approved amending the State Legislative Program and for this item to be considered by the full City Council.

#### **ISSUE:**

The State Legislative Program guides and focuses the City's legislative efforts and aligns with City Council priorities. As additional issues are identified which support City Council policies, amendments to the City's Legislative Program are required to authorize staff to support those policies.

The legislative initiatives being pursued by the Pension Fund include both non-substantive and substantive revisions to state law that governs the operations of the San Antonio Fire & Police Pension Fund. The proposed changes have been analyzed and are not expected to impact the actuarial stability of the Fund.

#### **ALTERNATIVES:**

City Council could choose not to adopt the amendment to the City's Legislative Program and proceed with the issues identified in the program adopted by Council on November 3, 2022.

#### **FISCAL IMPACT:**

As determined by the Pension Fund's actuary, the proposed change in the non-line of duty death benefit annuity from a minimum of 50% to 75% would increase the Funds total projected actuarial accrued liability by \$14.8 million and increase the number of years to amortize the unfunded actuarially accrued liability by .8 years, from 13.57 years to 14.37 years.

**RECOMMENDATION:**

Staff recommends approval of the amendments to the City's State Legislative Program.